

Utilities Privatization (UP) Phase III Conference Recap

8-9 Nov 00

This conference assembled civil engineering, contracting, legal, and financial management representatives from the Pathfinder bases and their MAJCOMs, HQ USAF, SAF, DESC, HQ AFCESA, and their support contractors. Since the Pathfinder bases have issued their UP RFPs, the attendees were avidly receptive to the proposed OSD guidance and Air Force policy and guidance updates relative to completing the government cost estimate, conducting source selection, preparing the certified economic analysis, and coordinating the approval package to the Air Staff, OSD and Congress.

Of particular note, an Air Force Audit Agency representative attending the conference provided favorable comments on the methodology/process for preparing the government cost estimates and the Certified Economic Analysis.

Following are the action items from the Conference:

1) Provide documentation to respond to OSD's policy on using the 5% Contract Administration/Oversight factor. [OPR: ACC/CEOI]

ACC/CEOI believes the 5% factor is too low. ACC will provide field data information for the Air Force to challenge the OSD factor.

2) Update the Source Selection Evaluation Guide (SSEG) to include the recent UP RFP errata sheet changes. [OPR: AFCESA/CEOC]

3) Review MAJCOM/XP actions to remove CE manpower authorizations due to Utilities Privatization. [OPR: AETC/CEOG & AFMC/CEI] [OCR: AF/ILEIO]

AETC and AFMC inquired whether out-year reductions in military and civilian authorizations taken will continue if UP is unsuccessful. HQ USAF/ILEIO requested AETC and AFMC documentation to approach HQ USAF/XPM.

4) Investigate linking the Certified Economic Analysis model to the IDS Electronic Source Selection tool for use by the Source Selection teams.
[OPR: AFCESA/CEOC/CESC]

AETC/CEOG suggested the CEA model be linked with the electronic source selection tool.

5) Provide clarification regarding Best Value source selection decision making in the RFP. [OPRs: SAF/AQCO & AF UP IPT]

Attendees voiced concern the RFP did not provide a clear explanation of the Best Value selection approach.

6) Re-emphasize the importance of CE, FM, and Contracting involvement in the UP process at all levels. [OPRs: HQ AFCESA/CEOC, MAJCOMs, and base PMs]

7) Relook at UP project approval package in light of new OSD guidance and CEA process as briefed by SAF/FMCE.

[OPR: HQ AFCESA/CEOC] [OCR: HQ AFCESA/CESC]

8) Evaluate training requirements for the RFP.

[OPRs: AFCESA/CEOC/CEOT, AFSPC, and 21 CES/CEOE]